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people and of the legislature may be and is willing to conclude with the author that experts should have more power in shaping legislation. Probably not all would be willing to conclude with him, however, that a democratic state should not enter the field of public utilities. The appendix contains many useful tables.

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*La Crise des Finances Publiques en France, en Angleterre, en Allemagne.* By A. LANDRY and B. NOGARO. (Paris: Librairie Félix Alcan. 1914. Pp. 264. 3.50 fr.)

Most of the great nations of the world have in recent years faced heavy increases in public expenditures, which have forced consideration of plans for new sources of revenue, increased debt, and reorganization of the budget. In France this situation has reached an acute stage, justifying the title of the book under review. M. Landry's discussion presents the case clearly and is particularly valuable because of its timeliness. Bringing his account down to the beginning of the present year, he shows the alarming increase in public expenditures, the increasing deficits in the annual budgets, and the enormous growth of the public debt, in particular the floating debt. The budget for 1914 shows a deficit of 800 million francs, the greatest shortage since the Franco-Prussian War. The objects responsible for swelling public expenditures are primarily military and naval expenditure (impelled largely by the increased military preparations of Germany and the occupation of Morocco), public works, education, and social betterment, intensified by the general increase in prices. M. Landry feels that the increased expenditures have not been due to waste, extravagance, or corruption, but have been thoroughly justified by national needs.

Having shown the seriousness of the present situation, the author sets himself the problem of finding means to equalize the budget and provide for future needs. Rejecting such make-shifts as special accounts and temporary or permanent loans, he concludes that the only remedy is the discovery of new sources of revenue. It is admitted that fraud and evasion are responsible for some loss of revenue, but the chance of any large saving here is not considered great.

France has since 1909 been discussing seriously the project of establishing a general income tax with a supplementary tax on

property, after the model of the tax systems of the principal German states. This project is commended by M. Landry. Although its adoption would necessarily be accompanied by the abolition of a large part of the present system of direct taxes, he believes that a net increase of revenue could be obtained, amounting to perhaps 250 million francs. In addition he would suggest a tax upon the growth in value of property and would find the rest of the necessary 800 millions from reforms and increases in the existing taxes and from the creation of certain new state monopolies.

While by this means the author believes that present needs would be satisfied, he feels that the future is sure to compel increasing expenses beyond what can be met by the ordinary growth in revenue. The necessity of taking means to combat the threatened decline in population is especially urgent; and whatever means are taken, the cost is sure to be great. Again, France must plan to make reductions in her debt, which can be accomplished only by regular amortization out of current revenue. To meet these needs of the future, the author sees little help from taxation. On the other hand, he believes that much can be gained by economies, by improved control of expenditure, and by reform of the budget.

In two supplementary chapters Professor Nogaro presents a clear and interesting account of the recent financial reforms in England and Germany. The discussion of English finances covers ground which is already familiar to American and English students of public finance. The account of the recent fiscal reforms in Germany puts in clear and concise form the record of an interesting epoch.

The book throughout shows evidence of thorough familiarity with recent financial history in the three countries. The problem is discussed with moderation and common sense and with evident command of the principles of public finance. The comparison which the book makes possible between the situation in France and that of England and Germany is particularly suggestive. The authors are frank to admit that France is behind her two neighbors in financial development and that her present situation is far more serious than theirs.

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